



Coconino County Arizona

Office of Planning and Budget

Special Districts Coordinator

219 E. Cherry Ave.

Flagstaff, AZ 86001-4695

Phone: (928) 779-6576

E-Mail: tfiglerski@co.coconino.az.us

September 10, 2004

Dear Rio Arroyo Improvement District Residents,

I have good news for you today. Thanks to the hard work and thoughtful approach by all parties involved, the District's suit has been settled. With the agreements in place we can now move the road paving project forward once again.

Another piece of good news is that our contractor, Combs Construction, has agreed to hold their bid price through next year which means that the delay will not affect the price of the road improvements. We owe Mr. James Combs of Combs Construction a big thank you for his consideration of the situation.

Finally, the County will be picking up the cost of the law suit, so you will not pay any additional assessments for legal fees. The cost of the suit will be paid by Federal Forest Fees, which may be used for road-related projects.

It is our intent to sell the bonds to finance the construction as soon as possible, in order to put this project on the fast track. I am sure you will agree that there have been enough delays. In order to sell the bonds we need to know how much has been paid up front. That is why, for those who paid their assessments already, we will be holding your funds until we can start construction next spring rather than returning them to you. It will help to expedite the rest of the process.

If you have any questions, please do not hesitate to contact us at the numbers below.

Sincerely,

Deb Hill, County Supervisor, District 4 (928) 779-6696

Tony Figlerski, Special Districts Coordinator (928) 779-6576